

In re: HMOB of Wayne Owner, LLC
Debtor

Case No. 20-12550
Reporting Period: July 1, 2021 - July 31, 2021

MONTHLY OPERATING REPORT

File with Court and submit copy to United States Trustee within 20 days after end of month.

Submit copy of report to any official committee appointed in the case.

| REQUIRED DOCUMENTS | Form No. | Document Attached | Explanation Attached | Affidavit/Supplement Attached |
|--|----------|-------------------|----------------------|-------------------------------|
| Schedule of Cash Receipts and Disbursements | MOR-1 | | See Footnotes Below | |
| Bank Reconciliation (or copies of debtor's bank reconciliations) | MOR-1a | | See Footnotes Below | |
| Schedule of Professional Fees Paid | MOR-1b | | See Footnotes Below | |
| Copies of bank statements | | | See Footnotes Below | |
| Cash disbursements journals | | | See Footnotes Below | |
| Statement of Operations | MOR-2 | | See Footnotes Below | |
| Balance Sheet | MOR-3 | X | | |
| Status of Postpetition Taxes | MOR-4 | | See Footnotes Below | |
| Copies of IRS Form 6123 or payment receipt | | | See Footnotes Below | |
| Copies of tax returns filed during reporting period | | | See Footnotes Below | |
| Summary of Unpaid Postpetition Debts | MOR-4 | | See Footnotes Below | |
| Listing of aged accounts payable | MOR-4 | | See Footnotes Below | |
| Accounts Receivable Reconciliation and Aging | MOR-5 | | See Footnotes Below | |
| Debtor Questionnaire | MOR-5 | X | | |

I declare under penalty of perjury (28 U.S.C. Section 1746) that this report and the attached documents are true and correct to the best of my knowledge and belief.

Signature of Debtor

Date

Signature of Joint Debtor

Date

Signature of Authorized Individual*

Date

Printed Name of Authorized Individual

Title of Authorized Individual

*Authorized individual must be an officer, director or shareholder if debtor is a corporation; a partner if debtor is a partnership; a manager or member if debtor is a limited liability company.

Footnotes:

* "HMOB of Wayne Owner, LLC" (the "Debtor") and twenty five other Hajjar related entities (the Debtors") filed for bankruptcy on February 13 and February 14, 2020. The Debtors have been allocated into two Debtors groups, the Owner Debtors and the Operating Debtors. "HMOB of Wayne Owner, LLC" is considered one of the Owner Debtors.

* "HMOB of Wayne Owner, LLC" maintains no separate individual bank accounts.

* The Schedules of Assets and Liabilities and Statement of Financial Affairs filed by the Debtor reflected the real property owned by the Debtor at the petition date and a Cross-Collateralized loan related to the Debtors of \$81,000,000. For operating report purposes, the amount reflected for the property owned by the Debtor at the petition date will be the amount reflected within the schedules filed by the Debtor. For all the Owner Debtors the total amount of the collateralized loan will be reflected on each of the Owner Debtors' operating reports. At the point in time a property is sold the Debtors and the Lender will agreed upon an allocation of the loan to the specific Debtors. The difference between the Debtors assets and liabilities at the petition date will be reflected as Retained Earnings - Pre-Petition.

* During the period the Debtor sold the Wayne property. The book gain on the sale of the property was approximately \$4M, and the tax gain or loss will be calculated on the 2020 year-end tax return. All revenues and expenses related to "HMOB of Wayne Owner, LLC" will be reflected by "Hajjar Medical Office Building of Wayne, LLC", the corresponding Operating Debtor. The balances related to the sale of the property and will be reflected on the MOR3 as a contra liability balance that was paid to Wells Fargo, as part of a settlement to the secured creditor. Any Cross-Collateralized loan related charges will be reflected by the related Operating Debtors.

* The Debtor maintains no employees.

* Professional Fees will be accrued for as a consolidated amount on the operating entity, operating report of Hajjar Business Holdings, LLC. The total fees outstanding for McManimon Scotland & Baumann, LLC and EisnerAmper, LLP as of July 31, 2021, were \$423,992 and \$257,930 respectively.

In re: HMOB of Wayne Owner, LLC
Debtor

Case No. 20-12550
Reporting Period: July 1, 2021 - July 31, 2021

SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS

Amounts reported should be per the debtor's books, not the bank statement. The beginning cash should be the ending cash from the prior month or, if this is the first report, the amount should be the balance on the date the petition was filed. The amounts reported in the "CURRENT MONTH - ACTUAL" column must equal the sum of the four bank account columns. The amounts reported in the "PROJECTED" columns should be taken from the SMALL BUSINESS INITIAL REPORT (FORM IR-1). Attach copies of the bank statements and the cash disbursements journal. The total disbursements listed in the disbursements journal must equal the total disbursements reported on this page. A bank reconciliation must be attached for each account. [See MOR-1 (CONT)]

| | BANK ACCOUNTS | | | | CURRENT MONTH | | CUMULATIVE FILING TO DATE | |
|--------------------------------|---------------|---------|-----|-------|---------------|-----------|---------------------------|-----------|
| | OPER. | PAYROLL | TAX | OTHER | ACTUAL | PROJECTED | ACTUAL | PROJECTED |
| CASH BEGINNING OF MONTH | | | | | | | | |
| RECEIPTS | | | | | | | | |
| CASH SALES | | | | | | | | |
| ACCOUNTS RECEIVABLE | | | | | | | | |
| LOANS AND ADVANCES | | | | | | | | |
| SALE OF ASSETS | | | | | | | | |
| OTHER (ATTACH LIST) | | | | | | | | |
| TRANSFERS (FROM DIP ACCTS) | | | | | | | | |
| | | | | | | | | |
| TOTAL RECEIPTS | | | | | | | | |
| DISBURSEMENTS | | | | | | | | |
| NET PAYROLL | | | | | | | | |
| PAYROLL TAXES | | | | | | | | |
| SALES, USE, & OTHER TAXES | | | | | | | | |
| INVENTORY PURCHASES | | | | | | | | |
| SECURED/ RENTAL/ LEASES | | | | | | | | |
| INSURANCE | | | | | | | | |
| ADMINISTRATIVE | | | | | | | | |
| SELLING | | | | | | | | |
| OTHER (ATTACH LIST) | | | | | | | | |
| | | | | | | | | |
| OWNER DRAW * | | | | | | | | |
| TRANSFERS (TO DIP ACCTS) | | | | | | | | |
| | | | | | | | | |
| PROFESSIONAL FEES | | | | | | | | |
| U.S. TRUSTEE QUARTERLY FEES | | | | | | | | |
| COURT COSTS | | | | | | | | |
| TOTAL DISBURSEMENTS | | | | | | | | |
| NET CASH FLOW | | | | | | | | |
| (RECEIPTS LESS DISBURSEMENTS) | | | | | | | | |
| CASH - END OF MONTH | | | | | | | | |

* COMPENSATION TO SOLE PROPRIETORS FOR SERVICES RENDERED TO BANKRUPTCY ESTATE

THE FOLLOWING SECTION MUST BE COMPLETED

| DISBURSEMENTS FOR CALCULATING U.S. TRUSTEE QUARTERLY FEES: (FROM CURRENT MONTH ACTUAL COLUMN) | |
|---|----|
| TOTAL DISBURSEMENTS | \$ |
| LESS: TRANSFERS TO DEBTOR IN POSSESSION ACCOUNTS | \$ |
| PLUS: ESTATE DISBURSEMENTS MADE BY OUTSIDE SOURCES (i.e. from escrow accounts) | \$ |
| TOTAL DISBURSEMENTS FOR CALCULATING U.S. TRUSTEE QUARTERLY FEES | \$ |

Footnote:

* "HMOB of Wayne Owner, LLC" maintains no separate individual bank accounts.

In re: HMOB of Wayne Owner, LLC
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Case No. 20-12550
Reporting Period: July 1, 2021 - July 31, 2021

BANK RECONCILIATIONS

Continuation Sheet for MOR-1

A bank reconciliation must be included for each bank account. The debtor's bank reconciliation may be substituted for this page.

[illegible]

Footnote:

* "HMOB of Wayne Owner, LLC" maintains no separate individual bank accounts.

In re: HMOB of Wayne Owner, LLC
Debtor

Case No. 20-12550
Reporting Period: July 1, 2021 - July 31, 2021

SCHEDULE OF PROFESSIONAL FEES AND EXPENSES PAID

This schedule is to include all retained professional payments from case inception to current month.

| Payee | Period Covered | Amount Approved | Payor | Check | | Amount Paid | | Year-To-Date | |
|------------------------------------|-----------------------|-----------------|------------------------|--------|------|-------------|----------|--------------|----------|
| | | | | Number | Date | Fees | Expenses | Fees | Expenses |
| McManimon, Scotland & Baumann, LLC | 2/13/2020 - 9/30/2020 | 341,634 | Retainer applied | | | 208,674 | 10,097 | 208,674 | 10,097 |
| McManimon, Scotland & Baumann, LLC | 2/13/2020 - 9/30/2020 | 0 | Sale of Wayne Property | | | 100,000 | 0 | 100,000 | 0 |
| Eisneramper | 5/31/2020 | 49,186 | Sale of Wayne Property | | | 25,000 | 0 | 25,000 | 0 |
| | | | | | | | | 333,674 | 10,097 |

* A retainer of \$218,771.96 paid to MSB on behalf of the Debtor and the 25 related Bankruptcies is fully utilized.

In re: HMOB of Wayne Owner, LLC
DebtorCase No. 20-12550
Reporting Period: July 1, 2021 - July 31, 2021**STATEMENT OF OPERATIONS**
(Income Statement)

The Statement of Operations is to be prepared on an accrual basis. The accrual basis of accounting recognizes revenue when it is realized and expenses when they are incurred, regardless of when cash is actually received or paid.

| REVENUES | Month | Cumulative Filing to Date |
|--|-------|------------------------------|
| Gross Revenues | \$ | \$ |
| Less: Returns and Allowances | | |
| Net Revenue | \$ | \$ |
| COST OF GOODS SOLD | | |
| Beginning Inventory | | |
| Add: Purchases | | |
| Add: Cost of Labor | | |
| Add: Other Costs (attach schedule) | | |
| Less: Ending Inventory | | |
| Cost of Goods Sold | | |
| Gross Profit | | |
| OPERATING EXPENSES | | |
| Advertising | | |
| Auto and Truck Expense | | |
| Bad Debts | | |
| Contributions | | |
| Employee Benefits Programs | | |
| Insider Compensation* | | |
| Insurance | | |
| Management Fees/Bonuses | | |
| Office Expense | | |
| Pension & Profit-Sharing Plans | | |
| Repairs and Maintenance | | |
| Rent and Lease Expense | | |
| Salaries/Commissions/Fees | | |
| Supplies | | |
| Taxes - Payroll | | |
| Taxes - Real Estate | | |
| Taxes - Other | | |
| Travel and Entertainment | | |
| Utilities | | |
| Other (attach schedule) | | |
| Total Operating Expenses Before Depreciation | | |
| Depreciation/Depletion/Amortization | | |
| Net Profit (Loss) Before Other Income & Expenses | | |
| OTHER INCOME AND EXPENSES | | |
| Other Income (attach schedule) | | |
| Interest Expense | | |
| Other Expense (attach schedule) | | |
| Net Profit (Loss) Before Reorganization Items | | |
| REORGANIZATION ITEMS | | |
| Professional Fees | | |
| U. S. Trustee Quarterly Fees | | |
| Interest Earned on Accumulated Cash from Chapter 11 (see continuation sheet) | | |
| Gain (Loss) from Sale of Equipment | - | 4,000,840 |
| Other Reorganization Expenses (attach schedule) | - | (304,967) |
| Total Reorganization Expenses | | |
| Income Taxes | | |
| Net Profit (Loss) | - | 3,695,873 |

*"Insider" is defined in 11 U.S.C. Section 101(31).

Footnotes:

* During the period the Debtor sold the Wayne property. The book gain on the sale of the property was approximately \$4M, and the tax gain or loss will be calculated on the 2020 year-end tax return. All revenues and expenses related to "HMOB of Wayne Owner, LLC" will be reflected by "Hajjar Medical Office Building of Wayne, LLC", the corresponding Operating Debtor. The balances above, relate to the sale of the property and will be reflected on the MOR3 as a contra liability balance that was paid to Wells Fargo, as part of a settlement to the secured creditor. Any Cross-Collateralized loan related charges will be reflected by the related Operating Debtors.

*No activity occurred during the period of June 30, 2021 due to the sale of the Wayne Property.

In re: HMOB of Wayne Owner, LLC
Debtor

Case No. 20-12550
Reporting Period: July 1, 2021 - July 31, 2021

STATEMENT OF OPERATIONS - continuation sheet

| BREAKDOWN OF "OTHER" CATEGORY | Month | Cumulative Filing to Date |
|-------------------------------|-------|------------------------------|
| Other Costs | | |
| | | |
| | | |
| | | |
| | | |
| Other Operational Expenses | | |
| | | |
| | | |
| | | |
| | | |
| Other Income | | |
| | | |
| | | |
| | | |
| | | |
| Other Expenses | | |
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| | | |
| Other Reorganization Expenses | | |
| | | |
| | | |
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| | | |
| | | |
| | | |

Reorganization Items - Interest Earned on Accumulated Cash from Chapter 11:

Interest earned on cash accumulated during the chapter 11 case, which would not have been earned but for the bankruptcy proceeding, should be reported as a reorganization item.

In re: HMOB of Wayne Owner, LLC
DebtorCase No. 20-12550
Reporting Period: July 1, 2021 - July 31, 2021**BALANCE SHEET**

The Balance Sheet is to be completed on an accrual basis only. Pre-petition liabilities must be classified separately from postpetition obligations.

| ASSETS | BOOK VALUE AT END OF CURRENT REPORTING MONTH | BOOK VALUE ON PETITION DATE |
|---|---|--------------------------------|
| CURRENT ASSETS | | |
| Unrestricted Cash and Equivalents | | |
| Restricted Cash and Cash Equivalents (see continuation sheet) | | |
| Accounts Receivable (Net) | | |
| Notes Receivable | | |
| Inventories | | |
| Prepaid Expenses | | |
| Professional Retainers | | |
| Other Current Assets (attach schedule) | | |
| TOTAL CURRENT ASSETS | \$ - | \$ - |
| PROPERTY AND EQUIPMENT | | |
| Real Property and Improvements | \$ - | \$ 7,699,160 |
| Machinery and Equipment | | |
| Furniture, Fixtures and Office Equipment | | |
| Leasehold Improvements | | |
| Vehicles | | |
| Less Accumulated Depreciation | | |
| TOTAL PROPERTY & EQUIPMENT | \$ - | \$ 7,699,160 |
| OTHER ASSETS | | |
| Loans to Insiders* | | |
| Other Assets (attach schedule) | | |
| TOTAL OTHER ASSETS | \$ - | \$ - |
| TOTAL ASSETS | \$ - | \$ 7,699,160 |

| LIABILITIES AND OWNER EQUITY | BOOK VALUE AT END OF CURRENT REPORTING MONTH | BOOK VALUE ON PETITION DATE |
|--|---|--------------------------------|
| LIABILITIES NOT SUBJECT TO COMPROMISE (Postpetition) | | |
| Accounts Payable | | |
| Taxes Payable (refer to FORM MOR-4) | | |
| Wages Payable | | |
| Notes Payable | | |
| Rent / Leases - Building/Equipment | | |
| Secured Debt / Adequate Protection Payments | | |
| Professional Fees | | |
| Amounts Due to Insiders* | | |
| Other Postpetition Liabilities (attach schedule) | | |
| TOTAL POSTPETITION LIABILITIES | \$ - | \$ - |
| LIABILITIES SUBJECT TO COMPROMISE (Pre-Petition) | | |
| Secured Debt | \$ 81,000,000 | \$ 81,000,000 |
| Contra Debt Account | \$ (11,395,033) | \$ - |
| Priority Debt | | |
| Unsecured Debt | | |
| TOTAL PRE-PETITION LIABILITIES | \$ 69,604,967 | \$ 81,000,000 |
| TOTAL LIABILITIES | \$ 69,604,967 | \$ 81,000,000 |
| OWNER EQUITY | | |
| Capital Stock | | |
| Additional Paid-In Capital | | |
| Partners' Capital Account | | |
| Owner's Equity Account | | |
| Retained Earnings - Pre-Petition | \$ (73,300,840) | \$ (73,300,840) |
| Retained Earnings - Postpetition | \$ 3,695,873 | |
| Adjustments to Owner Equity (attach schedule) | | |
| Postpetition Contributions (Distributions) (Draws) (attach schedule) | | |
| NET OWNER EQUITY | \$ (69,604,967) | \$ (73,300,840) |
| TOTAL LIABILITIES AND OWNERS' EQUITY | \$ - | \$ 7,699,160 |

**"Insider" is defined in 11 U.S.C. Section 101(31).

Footnotes:

* "HMOB of Wayne Owner, LLC" (the "Debtor") and twenty five other Hajjar related entities (the Debtors") filed for bankruptcy on February 13 and February 14, 2020. The Debtors have been allocated into two Debtors groups, the Owner Debtors and the Operating Debtors. "HMOB of Wayne Owner, LLC" is considered one of the Owner Debtors.

* "HMOB of Wayne Owner, LLC" maintains no separate individual bank accounts.

* The Schedules of Assets and Liabilities and Statement of Financial Affairs filed by the Debtor reflected the appraised value of the real property owned by the Debtor at the petition date and a Cross-Collateralized loan related to the Debtors of \$81,000,000. During the period the Debtor sold the Wayne Property which resulted in \$11,395,033 paid to the Lender. This balance is reflected above by reducing the balance of the Secured Debt. The difference between the the Debtors carrying value and the sale amount is reflected on the MOR2 and through retained earnings.

*All revenues and expenses related to "HMOB of Wayne Owner, LLC" will be reflected by "Hajjar Medical Office Building of Wayne, LLC", the corresponding Operating Debtor.

*No activity or remaining items occurred during the period of January 31, 2021 due to the sale of the Wayne Property.

BALANCE SHEET - continuation sheet[illegible]

Restricted Cash is cash that is restricted for a specific use and not available to fund operations. Typically, restricted cash is segregated into a separate account, such as an escrow account.

In re: HMOB of Wayne Owner, LLC
DebtorCase No. 20-12550
Reporting Period: July 1, 2021 - July 31, 2021**STATUS OF POSTPETITION TAXES**

The beginning tax liability should be the ending liability from the prior month or, if this is the first report, the amount should be zero.
Attach photocopies of IRS Form 6123 or payment receipt to verify payment or deposit of federal payroll taxes.
Attach photocopies of any tax returns filed during the reporting period.

| | Beginning Tax Liability | Amount Withheld or Accrued | Amount Paid | Date Paid | Check No. or EFT | Ending Tax Liability |
|------------------------|-------------------------------|----------------------------------|----------------|--------------|---------------------|----------------------------|
| Federal | | | | | | |
| Withholding | | | | | | |
| FICA-Employee | | | | | | |
| FICA-Employer | | | | | | |
| Unemployment | | | | | | |
| Income | | | | | | |
| Other: | | | | | | |
| Total Federal Taxes | | | | | | |
| State and Local | | | | | | |
| Withholding | | | | | | |
| Sales | | | | | | |
| Excise | | | | | | |
| Unemployment | | | | | | |
| Real Property | | | | | | |
| Personal Property | | | | | | |
| Other: | | | | | | |
| Total State and Local | | | | | | |
| Total Taxes | | | | | | |

SUMMARY OF UNPAID POSTPETITION DEBTS

Attach aged listing of accounts payable.

| | Number of Days Past Due | | | | | |
|---|-------------------------|------|-------|-------|---------|-------|
| | Current | 0-30 | 31-60 | 61-90 | Over 90 | Total |
| Accounts Payable | | | | | | |
| Wages Payable | | | | | | |
| Taxes Payable | | | | | | |
| Rent/Leases-Building | | | | | | |
| Rent/Leases-Equipment | | | | | | |
| Secured Debt/Adequate Protection Payments | | | | | | |
| Professional Fees | | | | | | |
| Amounts Due to Insiders* | | | | | | |
| Other: | | | | | | |
| Other: | | | | | | |
| Total Postpetition Debts | | | | | | |

Explain how and when the Debtor intends to pay any past-due postpetition debts.

*"Insider" is defined in 11 U.S.C. Section 101(31).

Footnotes:

* The Debtor maintains no employees.

In re: HMOB of Wayne Owner, LLC
Debtor

Case No. 20-12550
Reporting Period: July 1, 2021 - July 31, 2021

ACCOUNTS RECEIVABLE RECONCILIATION AND AGING

| Accounts Receivable Reconciliation | | Amount |
|--|--|------------------|
| Total Accounts Receivable at the beginning of the reporting period | | N/A ¹ |
| + Amounts billed during the period | | |
| - Amounts collected during the period | | |
| Total Accounts Receivable at the end of the reporting period | | |
| Accounts Receivable Aging | | Amount |
| 0 - 30 days old | | N/A ¹ |
| 31 - 60 days old | | |
| 61 - 90 days old | | |
| 91+ days old | | |
| Total Accounts Receivable | | |
| Amount considered uncollectible (Bad Debt) | | |
| Accounts Receivable (Net) | | |

DEBTOR QUESTIONNAIRE

| Must be completed each month | Yes | No |
|---|------------|------------------|
| 1. Have any assets been sold or transferred outside the normal course of business this reporting period? If yes, provide an explanation below. | X | |
| 2. Have any funds been disbursed from any account other than a debtor in possession account this reporting period? If yes, provide an explanation below. | | N/A ¹ |
| 3. Have all postpetition tax returns been timely filed? If no, provide an explanation below. | | N/A ¹ |
| 4. Are workers compensation, general liability and other necessary insurance coverages in effect? If no, provide an explanation below. | | N/A ¹ |
| 5. Has any bank account been opened during the reporting period? If yes, provide documentation identifying the opened account(s). If an investment account has been opened provide the required documentation pursuant to the Delaware Local Rule 4001-3. | | N/A ¹ |

Footnotes:

¹ All revenues and expenses related to "HMOB of Wayne Owner, LLC" will be reflected by "Hajjar Medical Office Building of Wayne, LLC", the corresponding Operating Debtor. Any Cross-Collateralized loan related charges will be reflected by the related Operating Debtors.

* During the period the Debtor sold the Wayne property. The book gain on the sale of the property was approximately \$4M, and the tax gain or loss will be calculated on the 2020 year-end tax return. All revenues and expenses related to "HMOB of Wayne Owner, LLC" will be reflected by "Hajjar Medical Office Building of Wayne, LLC", the corresponding Operating Debtor. The balances above, relate to the sale of the property and will be reflected on the MOR3 as a contra liability balance that was paid to Wells Fargo, as part of a settlement to the secured creditor. Any Cross-Collateralized loan related charges will be reflected by the related Operating Debtors.